

The Washington Merry-Go-Round

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ITT Pledged Millions to Stop Allende

By Jack Anderson

International Telephone and Telegraph's (ITT) drive to block the 1970 election of leftist Chilean President Salvador Allende included an offer to the White House to "assist financially in sums up to seven figures."

The offer to spend millions was only one of a series of high-level conversations ITT had with the U.S. government in its eleventh-hour pressure campaign to stop Allende.

The huge international conglomerate was trying to keep a Marxist government under Allende from seizing its Chilean investments, which included 60 per cent control of the Chilean telephone company.

The company's effort, and its fervent hopes for a military coup, are spelled out in a remarkable set of secret documents from ITT's Washington office. We got the papers despite the wholesale shredding of files, which the company has admitted took place in the Washington office Feb. 24 in an attempt to keep "embarrassing" documents out of our hands.

The papers show that officials at the White House, State Department and Central Intelligence Agency (CIA), were approached by ITT. The American ambassador in Chile was visited. Attorney General John Mitchell was even buttonholed at a wedding reception by a zealous ITT man.

The documents indicate the company got a generally polite but cool reception from the White House and State Department, although Edward Korry, ambassador to Chile, is reported to have been militantly anti-Allende and friendly to ITT's cause.

Even more friendly, however, was the CIA's William V. Broe, who was then director of the Latin American division of Clandestine Services.

CIA-ITT Meeting

Broe is reported to have personally visited ITT Vice President E. J. Gerrity, Jr., in his New York office to urge ITT to join in a scheme to plunge the Chilean economy into chaos and thus bring about a military uprising that would keep Allende out of power.

Although there is strong evidence in the documents that the company was taking steps to help the CIA foment trouble for Allende, the Broe plan was too wild even for ITT to accept.

One of the men doing the talking for ITT in the Chile affair was J.D. (Jack) Neal of the Washington office. He reported in a Sept. 14, 1970, memorandum on his conversation with Kissinger's office.

"I told (them) Mr. Geneen (ITT President Harold Geneen) is willing to come to Washington to discuss ITT's

interest and that we are prepared to assist financially in sums up to seven figures," the memo says.

"I said Mr. Geneen's concern is not one of 'after the barn door has been locked,' but that all along we have feared the Allende victory and have been trying unsuccessfully to get other American companies aroused over the fate of their investments, and join us in pre-election efforts . . .

"Early Saturday morning, I telephoned Assistant Secretary of State for Latin American Affairs, Charles (Chuck) A. Meyer, at his office. I repeated the same rundown . . .

"I went to a wedding reception at the Korean Embassy late Saturday. I ran into Attorney General Mitchell; so decided to mention Chile just in case the subject reached him in a cabinet meeting or otherwise.

"Mr. Mitchell mentioned Mr. Geneen's recent visit with him. He said he could understand Mr. Geneen's concern over ITT's Chile investment."

ITT Intelligence Report

Three days later, ITT's Gerrity got an on-the-scene intelligence report from two company men in Latin America. They reported efforts to persuade lame-duck Chilean President Eduardo Frei to take a stronger hand in the campaign against Allende.

"Late Tuesday night (Sept. 15) Ambassador Edward Korry finally received a message from the State Department giving him the green light to move in the name of President Nixon," the message said.

"At this stage the key to whether we have a solution or a disaster is Frei—and how much pressure the U.S. and the anti-Communist movement in Chile can bring to bear upon him in the next couple of weeks . . .

"(Ambassador Korry) has never let up on Frei, to the point of telling him how to 'put his pants on.'

"The anti-Allende effort more than likely will require some outside financial support . . . We have pledged our support if needed."

Twelve days later, Gerrity sent Geneen a telex describing a meeting in his office with the CIA's Broe, who outlined a five-point economic plan to reduce the Chilean economy to chaos.

"I was told that of all the companies involved, ours alone had been responsive and understood the problem. The visitor (Broe) added that money was no problem," Gerrity said.

By Oct. 16, eight days before Allende's election was to be voted on by the Chilean Parliament, ITT was pinning its waning hopes on a military coup led by former Brigadier General Roberto Vial.

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